

Date: October 5, 1995

To: BDAC Members

From: Lester A. Snow, Executive Director
CALFED Bay-Delta Program

Subject: CALFED Bay-Delta Program Financing Overview

During the last BDAC meeting a three part process was described for developing a financial strategy in support of the CALFED long-term solution.

The first part of this process is to identify a comprehensive list of the potential revenue sources and financing techniques which could be a part of the eventual plan of finance. The attached draft report summarizes the work to date on identification of this list. This list is not yet complete. More options are expected to be added based on the results of the Business Roundtable process, as well as CALFED Program team efforts to expand the range of financial options. It should also be noted that not all of the options identified at this stage will necessarily become part of the eventual financial structure.

In addition, this draft begins to describe some general principles by which revenue options and financing tools will be matched to specific actions which will eventually become part of the CALFED long-term solution. These principles provide the foundation for the next part of the development of the financial plan, and should be scrutinized carefully at this point. We expect BDAC members to play a significant role in assisting the CALFED Bay-Delta Program with a financial strategy and welcome comments of this draft report, as well as additional ideas or concepts which you feel are missing.

The next part of the financial process, as described at your last meeting, is to provide thorough analysis of each of the options listed in the attached report. The purpose of this further analysis will be to enable matching of specific revenue options and financial tools to specific actions during the third part of the financial process.

Agenda Item 5c

CALFED Agencies

California

The Resources Agency
Department of Fish and Game
Department of Water Resources
California Environmental Protection Agency
State Water Resources Control Board

Federal

Environmental Protection Agency
Department of the Interior
Fish and Wildlife Service
Bureau of Reclamation
Department of Commerce
National Marine Fisheries Service